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Calendar No. 526

101ST CONGRESS *2d Session*	SENATE	REPORT 101-275

TOURISM POLICY AND EXPORT PROMOTION ACT OF 1990

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

OF THE

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ON

S. 1791

MAY 2 (legislative day, APRIL 18), 1990.--Ordered to be printed

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Calendar No. 526

101ST CONGRESS *2d Session* | SENATE | REPORT 101-275

TOURISM POLICY AND EXPORT PROMOTION ACT OF 1990

MAY 2 (legislative day, APRIL 18), 1990.—Ordered to be printed

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 1791]

The Committee on Commerce, Science, and Transportation to which was referred the bill (S. 1791) to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism into the United States, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill as amended do pass.

PURPOSE OF THE BILL

The bill, as reported, would amend the International Travel Act of 1961 to authorize funding for the U.S. Travel and Tourism Administration (USTTA) for three years, in the sum of $15,000,000 for fiscal year (FY) 1990, $18,000,000 for FY 1991 and $21,000,000 for FY 1992. In addition, the bill makes other changes in the International Travel Act of 1961 to facilitate the growth of international travel and tourism into the United States.

BACKGROUND AND NEEDS

In 1989, the Foreign Commerce and Tourism Subcommittee held two hearings on the current status of the U.S. travel and tourism industry. At both hearings, there was general agreement that U.S. tourism policy is now outdated and must be revised if the United States is to increase its share of the international trouism market. While Federal tourism policy has remained virutally unchanged since 1981, the United States ran a consistent balance of payments deficit in the travel and tourism service sector during the 1980s.

However, last month, the Department of Commerce (DOC) released statistics for 1989 which showed that for the first time in 29 years, the United States had a surplus in this sector of $1.2 billion. The Committee believes if we are to expand upon our current surplus, we must pursue a more vigorous and coordinated Federal policy.

S. 1791 was introduced to fulfill that objective. The bill, as reported, makes several changes in the International Travel Act of 1961 to focus the Federal tourism program on expanding our tourism surplus. An authorization for USTTA has not been enacted since 1981.

Finally, S. 1791 would create a charitable and non-profit Rural Tourism Development Foundation (Foundation) to assist the USTTA in the development and promotion of rural tourism.

In addition to comments received during hearings on travel and tourism in America, support for the creation of such a Foundation is indicated by two recent reports: the "National Policy Study on Rural Tourism and Small Business Development," released by the USTTA in September 1989; and "Rural Economic Development for the 90's, A Presidential Initiative," prepared by the Economic Policy Council Working Group on Rural Development and released by the White House in January 1990.

Both studies note the rapid changes and economic stresses facing rural America, and point out that, while agriculture remains its most important industry, rural America's furture depends upon its ability to create employment opportunities in off-farm activities such as tourism. They note that Federal, State, and local governments have a valuable role to play, but that they must better coordinate their activities so that they complement private sector efforts to secure the long-term economic health of rural America.

The USTTA's "National Policy Study on Rural Tourism and Small Business Development" notes that, until now, few Federal policy makers have recognized tourism as a development tool that can help diversify and strengthen the economy of rural America. As a result, there has been neither a coherent national policy on rural tourism development, nor any coordination among Federal agencies whose programs directly affect rural tourism enterprises.

For example, although the National Park Service, the National Forest Service, the Bureau of Land Management, and the Corps of Engineers each publish maps and informational materials related to each agency's own scenic and recreational lands, the Federal Government produces no comprehensive information on such lands. While this may be frustrating to American families who want to visit national parks and recreation areas across the country, the implications are particularly counterproductive with regard to the ability of rural America to benefit from international tourism.

This fact is illustrated by recent USTTA studies which indicate that the majority of foreign visitors want to visit an area of natural scenic beauty when they travel to the United States. However, potential foreign visitors tend only to know about the most popular, often overutilized, Federal sites such as the Grand Canyon, Yosemite, and Yellowstone. They are unaware of hundreds of other Federal parks, forests, and recreational lands throughout the United States.

Most of these Federal lands are located in rural areas. Of the National Park Service's 355 parks, parkways, recreation areas, historical parks and sites, monuments, and seashores, only 61 are located in or near metropolitan areas. Only 10 of the 156 National Forests are located within a half hour's drive of a major city. Only one of the Bureau of Land Management's 460 recreational areas is located within a half hour's drive of a major city. All but about 10 percent of the Corps of Engineers' 4,300 recreation areas located on 472 manmade lakes across the country are in rural America.

Given current budgetary constraints, neither USTTA nor the Federal agencies responsible for scenic and recreational lands are able to develop comprehensive information which could be used to attract potential visitors to rural America. S. 1791 creates the Foundation, modeled after the National Parks Foundation, as a mechanism for filling such cricital information gaps, facilitating cooperation between private and public sector tourism and economic development interests affecting rural America, and accomplishing other national and regional goals important to the development and promotion of rural tourism.

Legislative History

On October 25, 1989, Senator Rockefeller introduced S. 1791, the Tourism Policy and Export Promotion Act of 1989.

The bill has 46 cosponsors, including all the members of the Committee.

The Foreign Commerce and Tourism Subcommittee held two hearing on tourism in 1989. The first hearing, held on September 27, 1989, reviewed the impact of the travel and tourism industry on the domestic and international economy. A second hearing was held on October 26, 1989, on S. 1791. Witnesses at the two hearings included representatives of the Federal government and the tourism industry. Congressman Luken, Chairman of the Transportation and Hazardous Materials Subcommittee of the House Energy and Commerce Committee, introduced a companion bill on the House side, H.R. 4369, with 103 cosponsors.

The Committee met in open executive session on April 3, 1990, to consider S. 1791. Senator Rockefeller offered an amendment in the nature of a substitute. The amendment was approved without objection with two further amendments. Senators Hollings and Stevens offered an amendment, which was adopted, to authorize $10,000,000 for FY 1990, FY 1991, and FY 1992, to assist States whose tourism promotion needs have increased due to disaster. Senator Pressler offered an amendment, which was adopted, adding a representative of an Indian tribe to the Board of Directors of the Foundation; and requiring the Secretary of Commerce (Secretary) to study the economic effects of promoting Indian reservations as tourism attractions and incorpoating Indian reservations into tourism development programs.

Summary of Major Provisions

As reported, S. 1791 would:

(1) establish a national goal to increase and sustain the U.S. travel and tourism export trade surplus;

(2) require the U.S. Trade Representative (USTR) to report barriers to travel and tourism annually in the National Trade Estimates report;

(3) direct DOC to improve travel and tourism data;

(4) require USTTA to concentrate its efforts on those countries that have the greatest potential for increasing travel and tourism expenditures;

(5) require the Secretary, in consultation with other appropriate agencies, to take action to ensure that foreign tourists are not unnecessarily delayed when entering the United States;

(6) create a Foundation whose purpose is to assist USTTA in facilitating private/public partnerships designed to promote rural America as a travel destination for foreign visitors;

(7) provide a three-year authorization for USTTA: $15 million in FY 1990, $18 million in FY 1991 and $21 million in FY 1992, of which up to $500,000 would be authorized in each of those fiscal years to match contributions and provide administrative services for the Foundation; and

(8) provide a $10 million authorization for FY 1990, FY 1991, and FY 1992 to assist States whose tourism promotion needs have increased due to disasters.

Estimated Costs

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. Congress,
Congressional Budget Office,
Washington, DC, April 12, 1990.

Hon. Ernest F. Hollings,
Chairman, Committee on Commerce, Science, and Transporation, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for S. 1791, the Tourism Policy and Export Promotion Act of 1990.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Robert D. Reischauer,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1791.

2. Bill title: Tourism Policy and Export Promotion Act of 1990.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science, and Transportation on April 3, 1990.

4. Bill purpose: S. 1791 authorizes appropriations for the U.S. Travel and Tourism Administration (USTTA) of amounts not to exceed $15 million for fiscal year 1990, $18 million for fiscal year 1991, and $21 million for fiscal year 1992. In addition, the bill au-

thorizes an amount not to exceed $10 million for fiscal years 1990 through 1992 for financial assistance to states whose tourism promotion needs have increased because of disasters.

Appropriations to date for fiscal year 1990 are $14.1 million, and the President is requesting $14.4 million for the USTTA in 1991.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1990	1991	1992	1993	1994	1995
Estimated authorization level	15.0	23.0	26.0			
Less: Existing appropriations	−14.1					
Total estimated authorizations	9	23.0	26.0			
Estimated outlays	1	19.1	24.3	5.2	1.2	

The costs of this bill fall within budget function 370.

Basis of estimate: This estimate assumes that the full amounts authorized will be appropriated. The $10 million authorized for assistance to states is shown as authorizations of $5 million in both 1991 and 1992. The estimate of outlays reflects historical spending patterns for the ongoing activities of the USTTA.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Douglas Criscitello.

10. Estimate approved by: C.G, Nuckols, for James L. Blum, Assistant Director for Budget Analysis.

Regulatory Impact Statement

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported.

NUMBER OF PERSONS COVERED

This legislation provides an authorization of appropriations for FY 1990, 1991, and 1992 to enable USTTA to carry out its functions under the International Travel Act of 1961. The legislation makes several changes in the 1961 Act which should not increase the number of persons covered by that Act. Section 4 directs the Secretary to work with the airlines to improve their on-board surveys. Since the airlines already conduct the surveys, the number of persons affected by this provision should not increase. Section 9 establishes a Foundation which will be governed by a nine-member Board of Directors from the private sector. The Foundation is being established to assist USTTA in the development and promotion of rural tourism.

ECONOMIC IMPACT

Section 12 of this bill authorizes appropriations for USTTA of $15,000,000 for FY 1990, $18,000,000 for FY 1991 and $21,000,000 for FY 1992, of which up to $500,000 is authorized for each of fiscal years 1990, 1991, and 1992 to support the Foundation. In addition,

a total of $10,000,000 is authorized for FY 1990, FY 1991 and FY 1992 to provide assistance to States whose tourism promotion needs have increased due to disasters. These funding levels are modest and are not expected to have an inflationary impact on the Nation's economy.

PRIVACY

This legislation will not have any adverse impact on the personal privacy of the individuals affected.

PAPERWORK

Under section 4, the Secretary must report to Congress on the desirability and feasibility of publishing monthly statistics. Under section 5, the USTR is required to include in its annual report, the National Trade Estimates, barriers to travel and tourism exports. This change in section 5 is a minor addition to an annual study required under existing law. Under section 10, the Secretary is required to do a study on the economic effects of promoting scenic byways and Indian reservations as tourist attractions. Both studies are aimed at increasing the effectiveness of Federal tourism policy and should not result in greatly increased paperwork requirements.

SECTION-BY-SECTION ANALYSIS

SECTION 1.—SHORT TITLE

This section states the short title of the legislation, the "Tourism Policy and Export Promotion Act of 1990".

SECTION 2.—FINDINGS

This section sets out findings which demonstrate the size of the U.S. travel and tourism industry and its importance to our gross national product, employment, and the U.S. international trade position.

SECTION 3.—NATIONAL GOAL

This section states that the goal under this bill is to increase and sustain U.S. export earnings from U.S. tourism and transportation services and to maintain an export surplus in tourism and travel services.

SECTION 4.—STATISTICAL REPORT

This section directs the Secretary to improve the compilation of data related to the travel and tourism industry. Specifically, the Secretary is required to: (1) improve the survey of international air travelers; and (2) seek to increase the reporting frequency of the data provided by Statistics Canada and the Bank of Mexico.

Within 18 months of the date of enactment, the Secretary is required to report to Congress on these efforts and on the desirability and feasibility of publishing monthly travel and tourism statistics.

The Committee believes that because of the significant role the tourism industry plays as both a major employer and a major exporter, DOC should consider reporting tourism statistics on a monthly basis, as it does in the manufacturing sector. Because the

Committee recognizes that DOC may incur additional expense in reporting these statistics on a monthly basis, and the reported bill does not require this. However, it is the Committee's belief that DOC should consider moving to a monthly statistical reporting system.

SECTION 5.—TOURISM TRADE BARRIERS

This section amends section 181 of the Trade Act of 1974 to require the USTR to include information on barriers in the travel and tourism sector in its annual report on trade barriers, the *National Trade Estimates*. The Committee believes this information should be included, as the report is often the basis for bilateral trade talks which increasingly involve travel and tourism related issues.

SECTION 6.—ACTION TO FACILITATE ENTRY OF FOREIGN TOURISTS

This section finds that foreign tourists entering the United States are frequently faced with unnecessary delays at the U.S. border and requires the Secretary, in consultation with the appropriate Federal agencies, to take the necessary action to ensure that foreign tourists are not delayed when entering the United States. The Committee is aware of acute problems along the Canadian-U.S. border, where large numbers of tourists cross the border daily and in Hawaii, where flights carrying tourists from Pacific Rim countries often arrive in rapid succession. The Committee supports the continuation of efforts by the National Transportation Facilitation Committee, in which the USTTA participates, to identify and resolve problems related to improving and increasing international travel to the United States.

SECTION 7.—TOURISM TRADE DEVELOPMENT

This section, in a series of amendments to the International Travel Act of 1961, (a) requires the USTTA to concentrate its trade development efforts on those countries that have the greatest potential for increasing the travel and tourism export revenues; (b) requires the USTTA's Travel and Tourism Advisory Board to submit its comment on the USTTA's annual trade development plan to Congress; (c) changes the composition of USTTA's Advisory Board to increase representation from the States and cities; and (d) amends the International Travel Act of 1961 by replacing the word "marketing" and inserting the words "tourism trade development" where appropriate. The Committee believes that changing the term "marketing" to "trade development" is essential in order to reorient our national tourism policy toward export promotion.

SECTION 8.—COORDINATION

This section amends the International Travel Act of 1961 to ensure that the U.S. and Foreign Commercial Service USFCS continues to assist USTTA in encouraging foreigners to travel to the United States. The Committee also supports efforts by the USFCS to facilitate entry into the international market by U.S. companies and small businesses that provide tourism and travel related services.

SECTION 9.—RURAL TOURISM DEVELOPMENT FOUNDATION

Subsection (a) of this section contains the statement of Congressional findings that increased efforts directed at the promotion of rural tourism will contribute to the economic development of rural America and further the conservation and promotion of natural, scenic, historic, scientific, educational, inspirational, and recreational resources for future generations of Americans and foreign visitors.

Subsection (a)(2) establishes a charitable and nonprofit corporation to be known as the Rural Tourism Development Foundation, or the "Foundation," in order to assist the USTTA in the development and promotion of rural tourism.

Subsection (b) states that the functions of the Foundation shall be the planning, development, and implementation of projects and programs which have the potential to increase travel and tourism export revenues by attracting foreign visitors to rural America.

This subsection lists projects and programs which initially shall be included among the activities of the Foundation, but states that the Foundation shall not be limited to those activities. The Committee anticipates that the Foundation's potential activities are limited only by its resources and the imagination of its Board. However, the Committee intends the Foundation to foster rural tourism development and promotion in a manner that enhances economic opportunities for small businesses and encourages cooperation rather than competition among local private and public providers of travel and tourism services.

The Committee anticipates that the Foundation will become involved in both national and specific regional projects and programs intended to increase international awareness of Federal scenic and recreational lands in order to promote rural America as a prime destination for foreign visitors.

The Committee anticipates financial support for national programs and projects from a wide variety of sources, including small businesses that provide travel and tourism services near Federal scenic and recreational lands, larger companies, various levels of government, individuals, and trade and destination promotion organizations who would benefit from the growth of rural America as an international tourism destination.

The Committee recognizes the wealth of scenic and recreational opportunities offered by State and local parks, and Indian reservations, as well as private enterprises. Therefore, the Committee anticipates that contributions to the Foundation may be earmarked for, and that the Foundation will provide assistance to, multi-county, multi-State, and other private/public partnerships in order to facilitate specific regional projects related to rural tourism development and international trade promotion.

Subsection (c)(1)(A) states that the Foundation shall have a Board of Directors which, during its first two years, consists of nine voting members. Thereafter, the Board shall consist of those nine members plus up to six additional voting members as determined in accordance with the bylaws of the Foundation. The Committee notes that smaller organizations tend to be more dynamic, but the legislation gives the Board flexibility with regard to size.

Subsection (c)(1)(B) requires the Under Secretary of Commerce for Travel and Tourism to appoint the nine initial voting members of the Board within six months of the enactment of the bill. Thereafter, the Under Secretary shall appoint the successors of each of three such members. Although the Board is to become self-perpetuating, the Committee believes the initial appointment of Board members by the Under Secretary will hasten the commencement of Foundation activities.

Subsection (c)(1)(C) provides that voting members of the Board be individuals who are not Federal officers or employees and who have demonstrated an interest in rural tourism development. The subsection requires that a majority of the Board members have experience and expertise in tourism trade promotion, and lists specific qualifications, each of which is to be met by at least one member of the Board.

The Committee anticipates that a single candidate may fulfill more than one membership requirement. For example, a qualifying representative of an Indian tribe also might be part of the majority of the Board with the experience and expertise in tourism trade promotion. The same individual also might fulfill the requirement that one member have experience and expertise in financial administration. The Committee encourages the selection of Board members and their immediate successors from diverse geographic areas of the United States.

Subsection (c)(2) states that the Under Secretary and representatives of Federal agencies with responsibility for recreational sites in rural areas shall be non-voting ex-officio members of the Board. The Committee believes the involvement of these Federal representatives will be a vital asset to the success and effectiveness of the Foundation.

The remainder of subsection (c) provides direction with regard to election of officers and meetings of the Board.

Subsection (d) addresses compensation and reimbursement for expenses incurred by Board members.

Subsection (e) provides for the acceptance of gifts, devises, and bequests by the Foundation. Subsection (e)(2) provides that any gift, devise, or bequest accepted by the Foundation for the benefit of or in connection with rural tourism on Indian reservations be maintained in a separate accounting for the benefit of Indian tribes in the development of tourism on Indian reservations. The Committee recognizes that the Indian Self-Determination Act states that the Secretary of Interior may accept and use donations, in furtherance of any program authorized by other provision of law, for the benefit of Indians, and thus requires that similar donations be accounted for separately by the Foundation.

Subsection (f) gives direction with regard to investments and other transactions by the Foundation related to property or income.

Subsection (g) provides that the Foundation may use the services and facilities of the Federal Government, and that such services and facilities may be made available on request to the extent practicable without reimbursement therefor. Although the Committee anticipates that the Foundation will operate under the auspices of the Travel Industry Association of America, authority is provided

to enable the Foundation to be housed within the USTTA should it be necessary, or should the Under Secretary prefer such an arrangement.

Subsections (h) through (m) provide general authority and guidance to the Foundation with regard to perpetual succession of the Foundation and the liability of Board members; contractural power; administration, including the hiring of officers and employees, and contracting for other necessary services; exemption from taxes and the ability to contribute toward the costs of local government; the liability of the United States for debts, defaults, acts, or omissions of the Foundation; and an annual report to Congress.

Subsection (n) contains definitions of terms used in this section.

Subsection (o) specifically authorizes the USTTA to assist the Foundation in the development and promotion of rural tourism.

SECTION 10.—TOURISM DEVELOPMENT STUDY

This section requires the Secretary to conduct a study and report to Congress within one year: (1) on the economic effects associated with the promotion of scenic byways and Indian reservations as tourist attractions; and (2) on techniques for incorporating scenic byways and Indian reservations into tourism development programs.

SECTION 11.—POLICY CLARIFICATIONS

This section makes several technical changes to the International Travel Act of 1961 which include: (1) highlighting the considerable contribution the tourism industry makes with respect to the competitiveness of the U.S. economy; (2) expressing the need to increase U.S. export earnings from U.S. tourism; (3) coordinating and encouraging the growth of tourism to rural communities; and (4) providing for export promotion services that will increase the number of States and local governments as well as U.S. companies that sell their tourism services abroad.

SECTION 12.—AUTHORIZATION OF APPROPRIATIONS

Subsection (a) in an amendment to the International Travel Act of 1961, provides authorization for USTTA at funding levels not to exceed $15,000,000 for FY 1990, $18,000,000 for FY 1991, and $21,000,000 for FY 1992.

Subsection (b) provides that up to $500,000 of the funds authorized for USTTA in each of fiscal years 1990, 1991, and 1992 may be made available to match, partially or wholly, the amount or value of contributions made to the Foundation, and to provide administrative services for the Foundation.

The Committee intends that such funds be available for the Foundation, regardless of whether it uses the services and facilities of USTTA or those of a private association such as the Travel Industry Association of America, as long as the Foundation is in compliance with the requirements of the bill. The Committee believes this limited Federal support is necessary to enable the Foundation to become viable and self-supporting.

Beyond the initial funding authority provided by the bill, the Committee anticipates that the Foundation will support its activi-

ties by fostering partnerships among private sector and public sector travel and tourism interests, including small businesses and larger companies, state and local governments, Federal agencies, and trade and destination promotion organizations.

Subsection (c) authorizes funds to be appropriated to the Secretary not to exceed $10,000,000 for the period beginning September 30, 1989, and ending September 30, 1992, to provide financial assistance for States whose tourism promotion needs have increased due to disasters. Several States have suffered serious damage to their tourist industries as a result of both natural and man-made disasters. In the past year, Alaska, South Carolina, and San Francisco, California, have experienced considerable damage to their tourism industries as a result of disasters that have struck these areas. The Committee intends to make this authorization available to those areas which the President has declared a Federal disaster area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and those which were affected by the Alaskan oil spill. In exercising the functions under this subsection, the Secretary, through USTTA, upon the application of any State or political subdivision or combination thereof, may make grants for projects designed to carry out the purpose of this subsection, if the Secretary finds that such projects will facilitate and encourage travel to any State or political subdivision or combination thereof by residents of foreign countries. This language is similar to the general grant-making authority found in section 202(a)(5) of the International Travel Act of 1961.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman):

International Travel Act of 1961

Section 101 of that Act

SEC. 101. (a) * * *

(b) There is established a national policy to—

[(1) optimize the contribution of the tourism and recreation industries to economic prosperity, full employment, and the international balance of payments of the United States;]

(1) optimize the contributions of the tourism and recreation industries to the position of the United States with respect to international competitiveness, economic prosperity, full employment, and balance of payments;

(2) increase United States export earnings from United States tourism and transportation services traded internationally;

(3) ensure the orderly growth and development of tourism;

(4) coordinate and encourage the development of the tourism industry in rural communities which (A) have been severely affected by the decline of agriculture, family farming, or the extraction or manufacturing industries, or by the closing of mili-

tary bases; and (B) have the potential necessary to support and sustain an economy based on tourism;

[(2)] *(5)* make the opportunity for and benefits of tourism and recreation in the United States universally accessible to residents of the United States and foreign countries and insure that present and future generations are afforded adequate tourism and recreation resources;

[(3)] *(6)* contribute to personal growth, health, education, and intercultural appreciation of the geography, history, and ethnicity of the United States;

[(4)] *(7)* encourate the free and welcome entry of individuals traveling to the United States, in order to enhance international understanding and goodwill, consistent with immigration laws, the laws protecting the public health, and laws governing the importation of goods into the United States;

[(5)] *(8)* eliminate unnecessary trade barriers to the United States tourism industry operating throughout the world;

[(6)] *(9)* encourage competition in the tourism industry and maximum consumer choice through the continued viability of the retail travel agent industry and the independent tour operator industry;

[(7)] *(10)* promote the continued development and availability of alternative personal payment mechanisms which facilitate national and international travel;

[(8)] *(11)* promote quality, integrity, and reliability in all tourism and tourism-related services offered to visitors to the United States;

[(9)] *(12)* preserve the historical and cultural foundations of the Nation as a living part of community life and development, and insure future generations an opportunity to appreciate and enjoy the rich heritage of the Nation;

[(10)] *(13)* insure the compatibility of tourism and recreation with other national interests in energy development and conservation, environmental protection, and the judicious use of natural resources;

[(11)] *(14)* assist in the collection, analysis, and dissemination of data which accurately measure the economic and social impact of tourism to and within the United States, in order to facilitate planning in the public and private sectors; and

[(12)] *(15)* harmonize, to the maximum extent possible, all Federal activities in support of tourism and recreation with the needs of the general public and the States, territories, local governments, and the tourism and recreation industry, and to give leadership to all concerned with tourism, recreation, and national heritage preservation in the United States.

Section 201 of that Act

SEC. 201. In order to carry out the national tourism policy established by section 101(b) the Secretary of Commerce (hereafter in this Act referred to as the "Secretary") shall—

(1) develop, plan, and carry out a comprehensive program designated to stimulate and encourage travel to the United States by residents of foreign countries for the purpose of

study, culture, recreation, business, and other activities as a means of promoting friendly understanding and good will among peoples of foreign countries and of the United States;

(2) provide export promotion services that will increase the number of States, local governments (as defined in section 3371(2) of title 5, United States Code), and companies in the United States that sell their tourism services in the international market, expand the number of foreign markets in which exporting States, cities, and companies are active, and inform States, cities, and companies in the United States regarding the specialized services the international market requires;

[(2)] *(3)* encourage the development of [tourist facilities, low cost unit tours, and other arrangements within the United States for meeting the requirements of foreign visitors;] *receptive, linguistic, informational, currency exchange, meal, and package tour services required by the international market;*

[(3)] *(4)* foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States consistent with sound economic principles;

[(4)] *(5)* encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally;

[(5)] *(6)* collect, publish, and provide for the exchange of statistics and technical information, including schedules of meetings, fairs, and other attractions, relating to international travel and tourism;

[(6)] *(7)* encourage to the maximum extent feasible travel to and from the United States on United States carriers.

Section 202 of that Act

SEC. 202. (a) In performing the duties set forth in section 201, the Secretary—

(1) through (8) * * *

(9) shall consult with foreign governments on travel and tourism matters and, in accordance with applicable law, represent [United States travel and tourism interests] *the United States national tourism interest* before international and intergovernmental meetings;

(10) through (13) * * *

(14) may only promulgate, issue, rescind, and amend such interpretive rules, general statements of policy, and rules of agency organization, procedure, and practice as may be necessary to carry out this Act ; [and]

(15) shall develop and submit annually to the Congress, within six weeks of transmittal to the Congress of the President's recommended budget for implementing this Act, a detailed [marketing] *tourism trade development* plan to stimulate and encourage travel to the United States during the fiscal year for which such budget is submitted and include in the plan the estimated funding and personnel levels required to implement the plan and alternate means of funding activities under this Act[.] *; and*

(16) may assist the Rural Tourism Development Foundation, established under the Tourism Policy and Export Promotion Act of 1990, in the development and promotion of rural tourism.

(b) through (d) * * *

(e) Beginning with fiscal year 1991, each annual tourism trade development plan developed and submitted to the Congress by the Secretary under subsection (a)(15) of this section shall focus on those countries with respect to which tourism trade development has the greatest potential for increasing travel and tourism export revenues.

(f) Funds appropriated to carry out this Act may be expended by the Secretary without regard to the provisions of sections 501 and 3702 of title 44, United States Code. Funds appropriated for the printing of travel promotional materials shall remain available for two fiscal years.

Section 203 of that Act

[SEC. 203. The Secretary shall submit annually to the President and to the Congress a report on his activities under this Act.]

Section 204 of that Act

SEC. 204. (a) The Secretary is authorized to provide, in accordance with subsections (b) and (c), financial assistance to a region of not less than two States or portions of two States to assist in the implementation of a regional tourism promotional and [marketing] *tourism trade development* program. Such assistance shall include—

(1) technical assistance for advancing the promotion of travel to such region by foreign visitors;

(2) expert consultants; and

(3) [marketing] *tourism trade development* and promotional assistance.

(b) through (c) * * *

Section 301 of that Act

SEC. 301. (a) There is established in the Department of Commerce a United States Travel and Tourism Administration which shall be headed by an Under Secretary of Commerce for Travel and Tourism who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall report directly to the Secretary. All the duties and responsibilities of the Secretary under this Act shall be exercised directly by the Secretary or by the Secretary through the Under Secretary of Commerce for Travel and Tourism. The Secretary shall designate an Assistant Secretary of Commerce for Tourism [Marketing] *Trade Development* who shall be under the supervision of the Under Secretary of Commerce for Travel and Tourism. The Secretary shall delegate to the Assistant Secretary responsibility for the development and submission of the [marketing] *tourism trade development* plan required by section 202(a)(15).

(b) * * *

(c) The Secretary shall ensure that the services of the United States and Foreign Commercial Service continue to be available to assist the United States Travel and Tourism Administration at locations identified by the Under Secretary of Commerce for Travel and Tourism, in consultation with the Director General of the United States and Foreign Commercial Service, as necessary to assist the Administration's foreign offices in stimulating and encouraging travel to the United States by foreign residents and in carrying out other powers and duties of the Secretary specified in section 202.

Section 302 of that Act

SEC. 302. (a) * * *

(b)(1) The Council shall consist of—

(A) the Secretary of Commerce who shall serve as Chairman of the Council;

(B) the Under Secretary for Travel and Tourism who shall serve as the Vice Chairman of the Council and who shall act as Chairman of the Council in the absence of the Chairman;

(C) through (G) * * *

(H) the Secretary of Agriculture;

(I) the Chairman of the Tennessee Valley Authority;

(J) the Commanding General of the Corps of Engineers of the Army, within the Department of Defense;

(K) the Administrator of the Small Business Administration;

[(H)] *(L)* the Secretary of Labor or the individual designated by such Secretary from the Department of Labor; and

[(I)] *(M)* the Secretary of Transportation or the individual designated by such Secretary from the Department of Transportation.

(2) through (3) * * *

(c) * * *

(d)(1) * * *

(2) through (3) * * *

(4)(A) Each year, upon designation by the Secretary of Commerce in accordance with subparagraph (B), up to three Federal departments and agencies represented on the Council shall each detail to the Council for that year one staff person and associated resources.

(B) In making the designation referred to in subparagraph (A), the Secretary of Commerce shall designate a different group of agencies and departments each year and shall not redesignate any agency or department until all the other agencies and departments represented on the Council have been designated the same number of years.

(e) through (f) * * *

Section 303 of that Act

SEC. 303. (a) There is established the Travel and Tourism Advisory Board (hereinafter in this section referred to as the "Board") to be composed of fifteen members appointed by the Secretary. The members of the Board shall be appointed as follows:

(1) Not more than eight members of the Board shall be appointed from the same political party.

(2) The members of the Board shall be appointed from among citizens of the United States who are not regular full-time employees of the United States and shall be selected for appointment so as to provide as nearly as practicable a broad representation of different geographical regions within the United States and of the diverse and varied segments of the tourism industry.

(3) Twelve of the members shall be appointed from senior executive officers of organizations engaged in the travel and tourism industry. Of such members—

(A) at least one shall be a senior representative from a labor organization representing employees of the tourism industry; [and]

(B) at least [one] *two* shall be a representative of the States who is knowledgeable of tourism promotion[.]; *and*

(C) at least one shall be a representative of a city who is knowledgeable of tourism promotion.

(4) * * *

(b) The members of the Board shall be appointed for a term of office of three years, except that of the members first appointed—

(1) four members shall be appointed for terms of one year, and

(2) four members shall be apointed for terms of two years, as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office. Vacancies on the Board shall be filled in the same manner in which the original appointments were made. No member of the Board shall be eligible to serve in excess of [two consecutive terms of three years each] *six consecutive years or nine years overall.*

(c) through (e) * * *

(f) The Board shall advise the Secretary with respect to the implementation of this Act [and], shall advise the Assistant Secretary for Tourism [Marketing] *Trade Development* with respect to the preparation of the [marketing] *tourism trade development* plan under section 202(a)(15), *and when the plan is submitted to the Congress, shall send to the Congress by separate communication the comments of the Board on the plan.* The Board shall prepare an annual report concerning its activities and include therein such recommendations as it deems appropriate with respect to the performance of the Secretary under this Act and the operation and effectiveness of programs under this Act. Each annual report shall cover a fiscal year and shall be submitted on or before the thirty-first day of December following the close of the fiscal year.

Section 304 of that Act

SEC. 304. For the purpose of carrying out this Act there is authorized to be appropriated an amount not to exceed $8,600,000 for the fiscal year ending September 30, 1982, *not to exceed $15,000,000 for the fiscal year ending September 30, 1990, not to exceed*

$18,000,000 for the fiscal year ending September 30, 1991, and not to exceed $21,000,000 for the fiscal year ending September 30, 1992. [Funds appropriated under this section shall be available without regard to the provisions of sections 501 and 3702 of title 44 of the United States Code. Funds appropriated under this section for printing of travel promotion materials are authorized to be made available for two fiscal years.]

TRADE ACT OF 1974

Section 181 of that Act

SEC. 181. ESTIMATES OF BARRIERS TO MARKET ACCESS.

(a) NATIONAL TRADE ESTIMATES.—

(1) IN GENERAL.—For calendar year 1988, and for each succeeding calendar year, the United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962 and with the assistance of the interagency advisory committee established under section 141(d)(2), shall—

(A) identify and analyze acts, policies, or practices of each foreign country which constitute significant barriers to, or distortions of—

(i) United States exports of goods or services (including agricultural commodities; *travel and tourism;* and property protected by trademarks, patents, and copyrights exported or licensed by United States persons), and

(ii) foreign direct investment by United States persons, especially if such investment has implications for trade in goods or services;

(B) through (C) * * *

(2) through (3) * * *

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—On or before April 30, 1989, and on or before March 31 of each succeeding calendar year, the Trade Representative shall submit a report on the analysis and estimates made under subsection (a) for the calendar year preceding such calendar year (which shall be known as the "National Trade Estimate") to the President, the Committee on Finance *and Committee on Commerce, Science, and Transportation* of the Senate, and appropriate committees of the House of Representatives.

(2) through (3) * * *

(c) * * *

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